GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:361
ANSWERED ON:17.08.2001
DEBT RECOVERY TRIBUNALS
RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of FINANCE be pleased to state:

(a) whether any minimum amount has been fixed in respect of the cases to be brought for decision before the Debt Recovery Tribunals;

(b) if so, the minimum amount so fixed;

(c) whether any arrangements have been made by the Government to dispose of the cases which are beyond the pecuniary jurisdiction of the Tribunals;

(d) if so, the details thereof; and

(e) the amount recovered under the above arrangements during each of the last three years?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT LAID ON THE TABLE OF LOK SABHA IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 361 FOR ANSWER ON 17TH AUGUST, 2001 TABLED BY DR. SUSHIL KUMAR INDORA AND SHRI RAMJI LAL SUMAN, M.P REGARDING DEBT RECOVERY TRIBUNALS.

(a) to (e) In accordance with the provisions of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 cases involving an amount of Rs.10 lakhs or more are to be filed before the Debts Recovery Tribunals. The amounts recovered by the Debts Recovery Tribunals up to 31.3.1999, 31.3.2000 and 31.3.2001 is Rs.646.26 crores, 1398.40 crores and Rs.2583.32 crores respectively.

Following further steps have been taken to deal with the cases which are beyond the pecuniary jurisdiction of the Tribunals.

(i) Constitution of Settlement Advisory Committees by Public Sector Banks for settlement of Non Performing Assets (NPAs) especially of small scale sector. RBI has reported that the recovery of NPAs through the SACs was Rs.668.37 crores as on 31.3.2000.

(ii) Public Sector Banks are being encouraged to make use of Lok Adalats for settlement of NPAs involving an amount up to Rs.5 lakhs. As reported by Indian Banks` Association, an amount of Rs.84.69 crores has been recovered up to 31.3.2001 under the mechanism of Lok Adalats.

(iii) Adoption of non discriminatory and non discretionary guidelines issued by RBI in July, 2000 for settlement of NPAs by Public Sector Banks as a one time measure. These guidelines were applicable only up to 30th June, 2001. RBI has reported that as on 31.5.2001, the Public Sector Banks have recovered an amount of Rs.1914 crores under these guidelines.